If a third party or a multinational has a right to enter into a contract, the remedy will be in a State where separate system of delivery of justice will be there, then the contracting party the State of India shall be in difficulty. No attention has been given to that.

I would make one final request to the Law Minister to the Act of 1872 which is 125 year old. No comprehensive attention has been given to this Act so that the Act may be revamped and a new Act may be enforced. This should be looked into. Either the Law Commision be requested or some other Commission be requested to go into the problem.

China has introduced one very important law, a joint venture law. Now that we are opening up, we are supposed to be liberalising our economy and introducing and inviting the countries into the joint venture. There should be such of contract laws to regulate those contracts. China has set an example of it as a complete force. We invite the attention of the Law Minister to this to look into the problem and make a joint venture law.

With these words, I support the Bill.

SHRI RAMAKANT D. KHALAP : Hon. Members are not wrong when they say that this Act was enacted in 1872. We have now come with an amendment to one Section, namely Section 28 of this Act. Billions of cusecs of water have perhaps flowed down the rivers of our country. Times have also changed and changing times do require new types of legislation. We are aware of the situation. The Law Commission is engaged in studying different Acts and I am proposing different solutions. Today I have laid on the Table of the House the 15th Report of the Law Commission on the Criminal Procedure Code. This particular suggestion of having a second look and a detailed look at the 1872 Act is a very welcome suggestion. We will consider this and we will come up before this House with laws which will be able to stand the test of time.

MR. CHAIRMAN : The question is:

"That the Bill further to amend the Indian Contract Act, 1872, as passed by Rajya Sabha, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN : The House shall now take up clause-by-clause consideration.

The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

MR. CHAIRMAN : The question is :

"That clause 1, the Enacting Formula and the Long Title stand part of the Bill."

The motion was adopted.

Clause 1, the Enacting Formula and the Long Title were added to the Bill.

SHRI RAMAKANT D. KHALAP : I beg to move:

"That the Bill be passed."

MR. CHAIRMAN : The question is:

"That the Bill be passed."

The motion was adopted.

[English]

MR. CHAIRMAN : Now, we will take up Item No. 31 - Apprentices (Amendment) Bill, 1996. Shri M. Arunachalam.

SHRI RAJIV PRATAP RUDY (Chhapra) : Sir, the Speaker has mentioned that I would initiate my discussion.

MR. CHAIRMAN : There is another Bill also. When this Bill is passed, then you can initiate your discussion.

14.17 hrs.

(Mr. Deputy-Speaker *in the Chair)*

APPRENTICES (AMENDMENT) BILL

[English]

THE MINISTER OF LABOUR (SHRI M. ARUNACHALAM) : Sir, I beg to move :

"That the Bill further to amend the Apprentices Act, 1961, as passed by Rajya Sabha be taken into consideration."

Sir, as the hon. House is aware, the Apprentices Act was enacted in 1961 with the objective of regulating programmes of Apprenticeship in industry for imparting practical training. The Act was amended twice. It was first amended in 1973 to bring within the purview the training of graduate engineers, diploma holders in engineering/technology as graduate/technician apprentices. It was further amended in 1986 to ring within its purivew the training of technican (voctional) apprentices from the products of the 10+2 vocational stream of education. In reply to the Question raised in the Rajya Sabha, an assurance was given by the then Union Labour Minister in the 139th Session of Rajya Sabha on 20th August 1986 for taking up a proposal for

bringing about comprehensive amendment of the Apprentices Act.

Sir, in order to undertake the review, suggestions were invited from various Central and State Governments' undertakings, employers' and employees' representatives. The Central Apprenticeship Council, the apex tripartite statutory body set up under the Apprentices Act, considered these suggestions during its various meetings and constituted Working Groups and a Task Force from amongst its own members to propose the amendments.

Sir, the Central Apprenticeship Council in its 22nd meeting on 30th January 1990 accepted the recommendations of the Working Groups and the Task Force after due deliberations. Therefore, they have recommended amendments.

The Apprenticeship (Amendment) Bill was introduced in Rajya Sabha on 25.8.1995 by the former Union Minister which was referred to the Parliamentary Standing Committee on Labour and Welfare where the matter was fully discussed.

Sir, one of the recommendations made by the Parliamentary Standing Committee relates to amendment of penalities proposed under Section 31 of the Apprentices Act. The Committee suggested that the penalties may be increased from Rs. 500, at present to a minimum of Rs. 3,000 and a maximum of Rs. 6,000.

It is submitted that the Apprentices Act, 1961 is a piece of welfare legislation and launching of prosecution is not its primary objective. The enhancement of the amount of fine from Rs. 500 to Rs. 3000 may not, by itself, bring about any radical or qualitative change or improvement in the situation.

The Directorate General of Employment and Training, Ministry of Labour needs to play a positive and proactive role in persuading and carrying conviction to employers in the private and public sectors for closer coordination and more effective implementation of the Act rather than going for a punitive approach.

It is submitted for kind information of the Hon. Members, that the Apprentices Amendment Bill 1996 has already been discussed and passed by Rajya Sabha during this Session of Parliament.

If the House approves the proposed amendments, it will be another step in the progressive development of our training schemes.

With these words, I request the House to pass it unanimously.

MR. DEPUTY-SPEAKER : Motion moved :

> "That the Bill further to amend the Indian Contract Act, 1872, as passed by Rajya Sabha, be taken into consideration."

[Translation]

JUSTICE GUMAN MAL LODHA (Pali) : Mr. Deputy Speaker, Sir, the hon. Minister has said that the Apprentice Amendment Bill, 1996 is a progressive step and has urged the House to pass it, but some of the provisions of the Bill are objectionable. I would like to draw your attention to some of them.

Clause 5 of the Bill says :

[English]

(ii) in sub-clause (i), for the words "five hundred", the words "two hundred and fifty" shall be substituted.

[Translation]

I fail to understand as to how the reduction in the stipend to the apprentice from Rs. 500 to Rs. 250 can benifit him when the Consumer Price Index is rising and prices of all Commodities are skyrocketing. The owners of factories will definitely benefit but how can an apprentice benefit from it, is beyond my comprehension. The need is to raise this stipend to Rs. 750 or Rs. 1000 because prices of all essential commodities are rising. This is not a progressive step but a retrograde step – a reactionary step which is not only anti-labour but also anti-people. Therefore I would like to submit that if the hon. Minister thinks that Lok Sabha should pass it without consideration as the Rajya Sabha has already passed it, this would not be appropriate. He should give a justification.

Section 5 of the Bill says that the apprentice will get benefit only during basic training. Earlier the apprentice use to get benefit during both i.e. practical training as well as basic traning. This means that the apprentice is being deprived of what he was getting under the original law. This amendment has thus given a bolt to the apprentice. That is why I feel that this Bill is anti-labour, anti people and a retrograde step. I do not understand the justification of this amending Bill. I do not have any objection to other provisions of the bill as more or less they are innocous. I would like clarification in respect of only one provision It states :

[English]

(i) 'worker" means any person who is employed for wages any in any kind of work and who gets his wages directly from the employer but shall not include an apprentice referred to in clause (aa)'

[Translation]

I fail to understand the clause (aa) which has been mentioned here. Will the worker be benefitted by deletion of clause (aa) or not. The hon. Minister must give a clarification.

Mr. Deputy Speaker, Sir, the apprenticeship ammount should be raised instead of reducing it. I support the will broadly, but oppose in particular, clause 5 of the Bill. I hope the hon. Minister would delete it. Only then this will be a progressive step.

MR. DEPUTY SPEAKER : Lodhaji, I think the reduction in the figure from 500 to 250 is the number of workers and not the apprenticeship amount.

[English]

The Minister may tell the correct position. What is the correct position?

[Translation]

JUSTICE GUMAN MAL LODHA : Mr. Deputy Speaker, Sir, as the provision of the original Bill have not been given, it is not clear what is this figure of 500. I would like the hon. Minister to clarify it when he replies to the debate.

[English]

SHRI BASU DEB ACHARIA (Bankura) : Sir, then the Apprentices Act, 1961 was enacted in the year 1961, the main purpose was to provide apprenticeships to technicians, engineers and diploma holders.

Now, there is a lacuna in the Act itself. If certain undertakings and industrial units do not follow the mandatory provisions, are there any measures which could be taken? This is not clear in the amending Bill. This is necessary because we have the experience of a number of undertakings, a number of industrial units not following the provisions of the Apprentices Act, 1961.

Then, another lacuna in this. Previously, it was obligatory on the part of the employer to give employment to the persons receiving apprenticeship, but this has been dispensed with. The various organisations giving apprenticeship are not bound to give employment to the candidates receiving apprenticeships, not even up to a certain percentage. This happens even where there is a rule. I know particularly of the Railways where a large number of candidates are every year receiving apprenticeships in the various workshops at the various Division of the Indian Railways. This goes on for years together. These candidates, these unemployed, youth who have received such apprenticeships are not provided with employment, even though there is a provision in the rules to give employment, up to twenty per cent. That twenty per cent is not given to these apprentices who receive training. I have drawn the attention of the hon. Minister of Labour a number of times that the provisions are not being followed.

My suggestion is, a certain amendment could be inserted so that some provision could be made and some compulsion could be introduced on the part of Act the organisation, on the part of the employer to give employment to the apprentices.

There are a number of instances where these Act apprentices are treated equally.

Even diploma holders are treated on par with the degree holders. They are asked to compete with graduate engineers. Then, what is the use of receiving training? This has happened in Kharagpur. Myself and Shrimati Geeta Mukherjee fought together, we met Ministers and ultimately a solution was found after one year. They had to wait for three years.

There were four hundred vacancies. Those vacancies were to be filled up. The number of Act Apprentices was 275. So, all those Act Apprentices could have been employed in the Kharagpur workshop. But what did the workshop management do? They held an open competition. No preference was given to them. So, what is the use of giving training?

The Standing Committee on Railways had also recommended in its Report on 'Safety in Railways' that the vacant posts should be filled up by the candidates who have received training in the Railways, as it was observed that the maintenance and rolling stock were not properly done because of the non-fulfilment of vacancies for years together.

My suggestion is that a provision should be incorporated, earmarking a certain percentage of posts for the candidates receiving training for apprenticeship in public sector or in Government organisations or even in private organisations.

SHRIMATI GEETA MUKHERJEE (Panskura) : I just stood up to support what Shri Basu Deb Acharia has said. Our experience in Kharagpur was bitter. Actually the boys had to go on a relay hunger strike for a very long period till all of us intervened, that too at the Ministerial level. The Railways spend money for training the candidates. Why should they spend money, if the apprentices are not going to be absorbed?

Shri Basu Deb Acharia has said that a certain percentage of posts should be earmarked for them. But what I would like to suggest is that for those posts for which apprentices have been trained, there the apprentices should be given priority. If there are any vacancies even after that, then those posts could be filed up from among the open candidates. Some provision of this kind should be there in the Bill. That is my feeling.

SHRI M. ARUNACHALAM : Sir, answering to the question raised by Justice Lodha regarding the penalty for the defaulting employer, I would like to state that this was recommened by the Standing Committee also. The Committee had recommened that the penalty should be increased from Rs. 500 to Rs. 3,000 - Rs. 6,000.

In this connection, I would like to submit that the Apprentices Act, 1961 is a piece of welfare legislation and launching prosecution was not its primary objective. On the recommendation of the Standing Committee, we are proposing to increase it. But it would not give any result.

Sir, my hon friend, Shri Basu Deb Acharia, has raised a pertinent question. He has complained that the trainees who have got training in the establishments were not given jobs. I hope the recent judgement of the Supreme Court would take care of this.

The judgment is that those who are getting training or those who are taking apprenticeship training have to be given preference.

With this, I request the House to pass this Bill.

SHRI BASU DEB ACHARIA : But that has not been complied with.

SHRI M. ARUNACHALAM : The judgement has come very recently.

SHRI BASU DEB ACHARIA : The instructions are issued from the Ministry of Labour particularly to the Ministry of Railways because the Railways recruit a large number of candidates every year. So, such instructions should be issued from the Ministry of Labour to the Ministry of Railways. The Ministry of Railways should also follow that judgment or comply with that judgement.

SHRI M. ARUNACHALAM : Very recently that judgment has come. We will follow it.

SHRI BASU DEB ACHARIA : Okay.

MR. DEPUTY-SPEAKER : The question is :

"That the Bill further to amend the Apprentices Act, 1961, as passed by Rajya Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER : The House shall now take up clause by clause consideration of the Bill.

Clauses 2 to 8

MR. DEPUTY-SPEAKER : The question is :

"That clauses 2 to 8 stand part of the Bill."

The motion was adopted.

Clauses 2 to 8 were added to the Bill.

MR. DEPUTY SPEAKER : The question is :

"That Clause 1, the Enacting Formula and the Long Title Stand part of the Bill."

The motion was adopted.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI M. ARUNACHALAM : I beg to move :

"That the Bill be passed."

MR. DEPUTY-SPEAKER : The question is :

"That the Bill be passed."

The motion was adopted.

14.37 hrs.

DISCUSSION UNDER RULE 193

(i) India's Stand on Singapore Declaration of World Trade Organisation - *Contd.*

MR. DEPUTY-SPEAKER : Now the House shall take up further discussion regarding Singapore Declaration of WTO. Shri Premchandran.

SHRI N.K. PREMCHANDRAN (Quilon) : Thank you, Mr. Deputy-Speaker, Sir, for giving me an opportunity to participate in the discussion regarding the WTO Conference which was held in Singapore.

Sir, the recently concluded Ministerial Conference of the World Trade Organisation held in Singapore brings acute apprehensions to the economic sovereignty of India. Even the Declaration at Singapore Conference of the World Trade Organisation is not clear. It is vague, it is ambiguous and it is indefinite. It can be interpreted in so many ways in future. Hon. Minister of Commerce has also placed a statement regarding the WTO Conference held at Singapore. I would like to say that that statement is also not complete and not comprehensive because the statement which was placed on the Table of the House is only stating the factual situation and other factual things — what happened or what occurred in the Singapore Conference. The mission of the Indian delegation to the Conference has not been stated in the statement. What was the stand of the Government of India, what had been the approach of the Government of India which was taken or which was delegated by the delegation in the Singapore conference were not stated, as a preamble or as a preface to the statement.

Hence I would like to say that the statement which had been tabled in this House itself is not complete; and it will become complete only when the statement starts with the 'objects and aims' which the Government had taken in the Conference is specifically stated as a preamble or as an introduction. We cannot also say, how far the Government of India has deviated from the traditional path of consistency to a shifting stand.

At the outset, I would like to say that this is really a change or a shift from the traditional path of consistency of India. India is having a consistent stand